



State of California • Department of General Services • Gray Davis,  
Governor

## OFFICE OF PUBLIC SCHOOL CONSTRUCTION

I n t e r a g e n c y   S u p p o r t   D i v i s i o n

1130 K Street, Suite 400 • Sacramento, California 95814 • (916) 445-  
3160

---

Date: October 21, 1999 Mass Mailer #99-16

To: All School Districts and County Superintendents of Schools

Subject: **ADVISORY OF ACTIONS TAKEN BY THE STATE ALLOCATION BOARD  
AND OTHER PERTINENT INFORMATION**

On September 22, 1999, the State Allocation Board (SAB) apportioned \$2.5 million for Lease-Purchase Program (LPP) new construction and modernization projects, \$20.8 million for School Facility Program (SFP) new construction projects, and \$173.6 million for Deferred Maintenance (DM) projects (\$154.6 million for the basic apportionments and \$19 million for DM critical hardship projects). The above numbers include requests for financial hardship.

### Consent Calendar

The cost index under the LPP for the Class B Index increased from 1.33 to 1.34 and the Class D Index increased from 1.32 to 1.33, effective September 1, 1999. The LPP Construction Cost Indices for Furniture/Equipment and the Historical Savings remain unchanged.

The consent agenda included LPP bid approvals and ongoing project cost increases. In addition, the SAB approved 211 eligibility applications and 22 funding grant applications for new construction projects for the SFP. The SAB also made "unfunded" approvals for 38 modernization projects in the amount of \$50.8 million.

### Interim Financing for School Facilities

The SAB approved the Interim Financing Program by accepting a report by the State Treasurer and the California School Finance Authority (CSFA) regarding the proposed program to provide interim financing for "unfunded" modernization projects eligible for state funding under the SFP. Please note that any interim financing costs associated with this program are the responsibility of the district and are not reimbursable under the SFP. For specific information regarding the Interim Financing Program for modernization projects, please contact Lisa Presta, Executive Director, CSFA, at [lpresta@treasurer.ca.gov](mailto:lpresta@treasurer.ca.gov), (916) 653-2913 or (213) 620-4467.

### Deferred Maintenance Funding

The SAB apportioned funds to school districts for critical hardship projects and basic DM participation. County offices of education (COE) must certify to the OPSC by November 30, 1999, the amount the school districts within their county and the COE have deposited in their DM fund in order to receive these funds.

The *Certification of Deposits* (Form SAB 40-7) can be found on the OPSC Web site at <http://www.dgs.ca.gov/opsc>. This form is located under Resource Information *Certificate of Deposit, Deferred Maintenance*, (Forms Listing/SAB 40-7). Please mail the certification to:

Office of Public School Construction  
Attention: Nancy Noguchi  
1130 K Street, Suite 400  
Sacramento, CA 95814

After the certification is received, a fund release will be processed and forwarded to the county treasurer as soon as possible for the lesser of the amount apportioned to the district or the amount deposited by the district as certified by the COE. Deposits which are not certified to the OPSC by November 30, 1999 are subject to rescission. For specific information regarding the DM Program, please contact Keith Collier, DM Project Manager, at [kcollier@dgs.ca.gov](mailto:kcollier@dgs.ca.gov) or (916) 323-3443.

#### Purchase of State Relocatable Classrooms

The SAB authorized the OPSC to purchase up to 500 new relocatable classrooms. School districts anticipating a need for state relocatable buildings are encouraged to file an application now. For specific information regarding the State Relocatable Classroom Program (SRCP), please contact Olivia Campos-Mulligan, SRCP Project Manager, at [campos@dgs.ca.gov](mailto:campos@dgs.ca.gov) or (916) 323-2282.

#### Use of SFP Grants for Non-Classroom Facilities and Other Grade Levels

The SAB has directed the OPSC to develop proposed regulation changes to address the appropriate use of grants for non-classroom facilities and the use of grants funds based on eligibility generated by another grade level. These proposed regulations will be presented at a forthcoming SAB Implementation Committee meeting for input in developing suggested language for a regulatory change. In the interim, the OPSC shall continue to process SFP applications that contain these types of requests; however, the OPSC will elevate these grant requests to the SAB for approval on a case-by-case basis. For specific information regarding your SFP application, please contact your Project Manager.

#### SFP Application Processing

A report was presented to the SAB delineating options for reducing the SFP application processing functions in order to meet a 60 to 90 day processing goal. The SAB directed the OPSC to continue with its current processing functions and proceed with a budget change proposal to increase staff.

#### Implementation of AB 191

AB 191 authorizes the SAB to approve projects under the LPP for the construction of either a gymnasium or multipurpose room on a site where the district has constructed other facilities on that site within the previous two years with local funding. The SAB adopted the provisions of the program but directed the OPSC not to accept program applications until it can be determined if specific funding is available for this purpose. The SAB shall review available

funding at the March 2000 SAB meeting. If program funding is available, the SAB may modify the time period for filing applications and notify districts accordingly.

#### Class Size Reduction (CSR) Funding

The SAB re-addressed and approved the reservation of \$511 million of Proposition 1A funds for CSR purposes, to provide funding for the following categories:

- \$217 million to provide CSR facility grants to implement the K-3 CSR Program.
- \$294 million for districts with impacted sites.

Since Assembly Bill 695 was signed into law (Ch 858/99), the SAB will revisit this issue in January 2000. For specific information regarding this funding, please contact Fred Yeager, Consultant with the California Department of Education (CDE), at (916) 327-7148.

#### Other Issues

The Office of Administrative Law (OAL) approved the final regulations for the SFP and filed them with the Secretary of State on October 8, 1999. The new SFP forms and the final regulations are now available on the OPSC Web site. The OPSC will present an item to the SAB on October 27, 1999 to address the processing and approval of applications during the period of time between the adoption of the amended regulations and the approval of the final regulations.

Copies of the applicable SAB actions can be found on the OPSC Web site at <http://www.dgs.ca.gov/opsc>. Should you have questions or need any additional information regarding the contents of this letter, please contact your Project Manager.

Sincerely,

LUISA M. PARK  
Interim Executive Officer  
Office of Public School Construction

LMP:LM:cs